THE CITY OF RIVERSIDE BOARD OF PUBLIC UTILITIES NOTICE OF PUBLIC HEARING

Thursday, March 2, 2006 at 6:00 P.M. Art Pick Council Chamber, City Hall 3900 Main Street, Riverside, California

Throughout the years, Riverside Public Utilities has maintained the lowest water rates in the region for its customers. To accomplish this, larger components of rates were required to operate and maintain the water system, resulting in lower amounts available for investment in the aging infrastructure of the water utility. Many components of the water transmission and distribution system have exceeded their useful life, and significant increases in investment in the water system are required to maintain water system reliability, supply and quality.

The City of Riverside Board of Public Utilities will hold a public hearing to discuss a proposed series of water rate increases. It is projected that Riverside will remain a low cost provider of water services in the Southern California region.

The changes to existing water rates are being proposed to begin implementing necessary improvements in the existing aging infrastructure of the water utility—much of which is approaching 100 years old, or has already exceeded its estimated economic life. These improvements are detailed in the Water Master, Water Supply and Asset Management plans, and include construction of a surface water treatment plant, refurbishing two and constructing two reservoirs, refurbishing wells and booster stations, land acquisition for future water facilities, construction of a new recycled water canal, an expanded program for replacement and construction of new transmission and distribution mains, and to build cash reserves for emergencies and disaster preparedness. In addition, these are expected to pay for cost increases to operate and maintain the water system.

Customers wishing to comment on the proposed increases and revisions should attend this hearing, or forward written comments, prior to the hearing, to the Public Utilities General Manager, 3900 Main Street, Riverside, CA 92522.

Information on the proposed rate increases is available for review at the Public Utilities Department, City Hall, Fourth Floor, 3900 Main Street, Riverside, California.

